

FOOTHILL TRANSIT

MINUTES

The meeting of the Foothill Transit Executive Board was held Friday, February 26, 2010, at the Foothill Transit Board Room, 100 South Vincent Avenue, 2nd Floor, West Covina.

Chair De La Torre called the meeting to order at 8:00 a.m. The following members were present, constituting a quorum of the Executive Board:

Michael De La Torre, Chair
Roger Chandler, Vice Chair
Peggy Delach
Carol Herrera
Paula Lantz

Pledge of Allegiance

Vice Chair Chandler led the Pledge of Allegiance.

Chair De La Torre acknowledged Nick Pomponas, Senior Vice President, First Transit, who was in attendance at the meeting. Mr. Pomponas introduced Eric Estell, First Transit's new Regional Vice President, Southwest Division.

APPROVAL OF MINUTES FOR THE REGULAR MEETING OF JANUARY 29, 2010, EXECUTIVE BOARD MEETING – STUDY SESSION OF JANUARY 29, 2010 AND STRATEGIC PLANNING WORKSHOP OF FEBRUARY 5, 2010

The minutes for the regular meeting of January 29, 2010, and Executive Board meeting Study Session of January 29, 2010, were approved as submitted.

Motion: Member Delach, seconded by Vice Chair Chandler
Vote: Unanimously carried

The minutes for the Executive Board Strategic Planning Workshop of February 5, 2010, were approved as submitted.

Motion: Vice Chair Chandler, seconded by Member Herrera
Vote: Unanimously carried
Abstain: Member Delach

PRESENTATIONS

5.1 Contractors' Employee Recognition

Mr. Wayne Fritz and Peter Greenberg, General Managers, recognized the following employees:

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- Mark Bramlette, Arcadia location MV Transportation Operator of the Month, who has worked with Foothill Transit for ten years.
- Beatriz Dubon, Pomona location First Transit Operator of the Month, who has a perfect driving and attendance record.

Linda Apodaca, Community Relations Coordinator, reported that she is the videographer for APTA's "Telling Our Story" initiative, and presented a segment from the video created on Guide Dogs of America, a special event conducted by guide dogs and their trainers using Foothill Transit buses.

Chair De La Torre acknowledged Councilman Doug Tessitor, City of Glendora, who was in attendance.

PUBLIC COMMENT

Mary Griffieth addressed the Executive Board.

CONSENT CALENDAR:

The Executive Board adopted the Consent Calendar items 7-11, with the exception of item 10, which was taken off the agenda at the request of Executive Director Doran, Barnes.

Motion: Vice Chair Chandler, seconded by Member Herrera

Vote: Unanimously carried

REGULAR AGENDA:

2010 LEGISLATION SUMMARY

David Reyno, Director of Governmental Relations, provided an update regarding State legislation regarding public transportation and added the following:

- The State Public Transit Account receives funding from four main sources of revenue:
 1. Sales tax on diesel fuel
 2. State excise tax on gasoline
 3. Proposition 111, which raises the gas tax from 9 cents to 18 cents per gallon over five years.
 4. Proposition 42 which appropriates all gas sales taxes on public transportation only
- On January 8, 2010, the Senate Budget and Fiscal Review Committee voted to approve a "gas tax swap" which incorporates the Governor's original 2010-11 budget proposal to eliminate the sales tax on gasoline.

- The Senate Committee agreed that the State Transit Assistance (STA) program will receive a one-time appropriation of \$400 million through June 30, 2011. This appropriation will be comprised of revenue from retaining the sales tax on diesel (\$313 million for FY 10-11), and funds appropriated from the Public Transportation Account (PTA) balance (currently \$946 million).

Doran Barnes, Executive Director, added that although public transit will receive \$400 million in STA funds this year, it is a small fraction of what should be received. In the current STA program, under the Efficiency Test, none of the \$400 million can be used on operating expenses in FY 2011. Temporary suspension of the Efficiency Test would be required to direct funding to operating expenses. Only half of the transit operators in Los Angeles County have passed the Efficiency Test.

- The fiscal impact of a State “gas tax swap” on Foothill Transit’s budget has not been determined. Failure to extend the alternative fuel tax credit would result in a loss of operating funding of over \$1 million annually.

The Executive Board received and filed the February 2010 Legislative Summary, and approved a motion directing the Executive Director to seek relief from the STA Program with the temporary suspension of the Efficiency Test.

Motion: Vice Chair Chandler, seconded by Chair De La Torre

Vote: Unanimously carried

[\(See Supporting Documents\)](#)

CONTRACT AWARD – POMONA RENOVATIONS - INTERIOR

Roland Cordero, Director of Facilities, reported that the Pomona facility is in need of renovations to restore it to Foothill Transit standards. Six bids were received on February 9, 2010, for interior renovations to the facility, and the contract was awarded to Fast-Track Corporation. The project will be funded through Foothill Transit’s FY 2009 Federal Economic Recovery program allocation (ARRA funds), and will help create forty-six construction jobs.

The Executive Board authorized the Executive Director to negotiate final terms and conditions and execute a contract in the amount of Three Hundred Seventy One Thousand dollars (\$371,000) with Fast-Track Corporation for Pomona Facility interior renovations.

Motion: Member Delach, seconded by Member Lantz

Vote: Unanimously carried

[\(See Supporting Documents\)](#)

CONTRACT AWARD – POMONA RENOVATIONS - EXTERIOR

Roland Cordero, Director of Facilities, reported that the Pomona facility's exterior is in need of renovations to restore it to Foothill Transit standards. Four bids were received on February 9, 2010, for exterior renovations to the facility, and the contract was awarded to Aragon Construction. The project will be funded through Foothill Transit's FY 2009 Federal Economic Recovery program allocation (ARRA funds).

The Executive Board authorized the Executive Director to negotiate final terms and conditions and execute a contract in the amount of Two Hundred Fifty Nine Thousand Five Hundred dollars (\$259,500) with Aragon Construction for Pomona Facility exterior renovations.

Motion: Member Lantz, seconded by Vice Chair Chandler

Vote: Unanimously carried

[\(See Supporting Documents\)](#)

PROPOSED FISCAL YEAR 2011 REVENUE ESTIMATES

Richard Hasenohrl, Director of Finance, reported that at the February 15, 2010, Executive Board Strategic Plan Workshop, staff presented the FY 2011 budget projection with a \$12.5 million deficit at current service levels. The budget projection indicates a significant drop in the fare and non-fare revenue between FY 2009-10 (\$59.2 million) and FY 2010-11 (\$48.3 million) by over \$11 million.

Doran Barnes commented that the budgeting process began at the Workshop and will conclude at the Governing Board meeting in May 2010.

The Executive Board directed staff to develop the Fiscal Year 2011 budget using the revenue projections outlined in Schedule 1.

Motion: Member Lantz, seconded by Member Herrera

Vote: Unanimously carried

[\(See Supporting Documents\)](#)

PROPOSED FISCAL YEAR 2011 ADMINISTRATIVE COST REDUCTIONS

Darold Pieper, General Counsel, reported that at the February 5, 2010, Strategic Planning Workshop, the Executive Board considered a number of options to address Foothill Transit's projected \$12.5 million FY 2011 budget deficit. The Executive Board discussed reducing non-service related expenditures by \$2.5 million, which will be included in Foothill Transit's Proposed FY 2011 Business Plan.

The Board had no objections to the Bus Book being phased out and recommended that a virtual Bus Book on Foothill Transit's website be made available for downloading, and that a final Bus Book be created notifying riders of permanent changes to bus service and their effective dates.

On recommendation of Chair De La Torre, the Board approved a Study Session scheduled for early April 2010 to finalize recommendations relating to Administrative Cost Reductions, prior to the Governing Board Meeting scheduled in May 2010.

After discussion, on recommendation of Chair De La Torre, and on motion of Member Herrera, seconded by Member Delach, and unanimously carried, the Executive Board approved the aforementioned recommendations and directed staff to develop the proposed FY 2011 budget as outlined in Attachment A (Administrative Cost Reductions). ([See Supporting Documents](#))

PROPOSED FISCAL YEAR 2011 SERVICE REDUCTIONS

LaShawn Gillespie, Director of Planning, presented the Fiscal Year 2011 Service Reduction Proposal comprised of twenty-eight major adjustments to bus service, ten service reductions and eighteen line service cancellations resulting from low productivity. The proposed changes will total an annualized budget reduction of \$9,919,587.

Lines facing reduction of services are:

- Lines 178, 185, 269, 482, 493, 498, 699, Silver Streak Weekday, Silver Streak Weekend, and Express Line service on Christmas week

Lines facing service cancellation are:

- Lines 184, 195, 197, 272, 274, 280, 281, 284, 285, 286, 289, 292, 494, 497, 851, 852, 853, and 855

If authorized by the Governing Board, public meetings/hearings will be conducted in late March and early April 2010. Customers will be able to submit comments to the proposed service changes in writing and via email. Customer comments will be considered prior to making final recommendations for service adjustments, and will be presented to the Executive Board in April 2010, for consideration at the Governing Board meeting in May 2010. The recommended service changes will be incorporated in the proposed FY 2011 Business Plan.

The Executive Board approved the recommendation that the Governing Board authorize the Executive Director to conduct public hearings regarding the proposed FY 2011 Service reductions.

Motion: Vice Chair Chandler, seconded by Member Delach
Vote: Unanimously carried
([See Supporting Documents](#))

VEOLIA CONTRACT NEGOTIATIONS

Darold Pieper, General Counsel, reported that at the Strategic Planning Workshop, Foothill Transit will need to negotiate certain adjustments to the Management Services Agreement with Veolia Transportation Services, Inc. These changes will be necessary in order to fully implement certain cost saving measures for FY 2010-11 and thereafter.

It was recommended that the Chair appoint a subcommittee of two members of the Executive Board to work with General Counsel in the negotiation of these adjustments. Chair De La Torre thanked Members Delach and Lantz for offering to serve as the sub-committee.

The Executive Board approved the appointment of Members Delach and Lantz as the sub-committee for the Veolia Transportation Services, Inc., contract negotiations.

Motion: Member Herrera, seconded by Vice Chair Chandler

Vote: Unanimously carried

EXECUTIVE DIRECTOR COMMENT

Doran Barnes, Executive Director, reported the following:

- Last month the Board took a support position on statewide ballot Measure. If passed, it will have significant financial impact on STA funding. The League of California Cities and the California Transit Association will continue to lobby in support of this measure.
- The APTA Annual Legislative Conference will be held in mid-March, and will provide an opportunity for public transit agencies to confer with legislative representatives on issues regarding government funding, and other issues. Chair De La Torre and member Herrera will be participating in discussions representing Foothill Transit.
- A Special Governing Board meeting is scheduled for Tuesday, March 2, 2010, at 7:45 am. Service reductions will be agendized for approval from the Governing Board to initiate the public hearing process.

BOARD MEMBER COMMENT

Member Delach congratulated Doran Barnes, Executive Director, for being on the cover of the latest issue of "Mass Transit Magazine".

CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Existing Litigation, Government Code §54956.9(a)

CLOSED SESSION: CONFERENCE WITH REAL PROPERTY NEGOTIATORS
(Government Code §54956.8)

The Executive Board recessed at 9:26 a.m. to Closed Session.

The Executive Board reconvened at 10:50 a.m. from Closed Session.

Darold Pieper, General Counsel, announced that no reportable action was taken in Closed Session.

ADJOURNMENT

There being no further business, the Executive Board adjourned at 10:51 a.m.

Staff and guests present:

Doran Barnes, Executive Director
Kevin McDonald, Deputy Executive Director
Darold Pieper, General Counsel
Doug Tessitor, City of Glendora
Richard Hasenohrl, Director of Finance
LaShawn Gillespie, Director of Planning
Roland Cordero, Director of Facilities
George Karbowski, Director of Operations & Maintenance
David Reyno, Director of Government Relations
Nick Pomponas, First Transit
Linda Apodaca, Community Relations Coordinator
Wayne Fritz, General Manager
Peter Greenberg, General Manager
Andrew Sevrin, Commission Services